

instruments, differ from their specimen signatures. An aggregate amount of Rs. 20.25 lakhs was involved in four instances of encashment of DDs for which disciplinary action is being taken against these nine officers. The Bank has also reported that these cases have also been referred to police for investigation.

(c) and (d) Training on "Signature Verification" is given to officers in the Bank to prevent frauds in the areas of Payment of Demand Drafts etc. and for safeguarding customers money deposited in Bank. A session on Preventive Vigilance is included in all the General Banking Programmes for Officers conducted by Bank's Staff Training Colleges.

Fraud prevention check-list is provided in the Manager's Work Book supplied to each Branch Manager. Circulars/Letters are sent periodically to Regional Managers and Branch Managers advising remedial measures to contain frauds.

Accountability of Banks

4456. DR. MURLI MANOHAR JOSHI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have received a memorandum during December 1996 from the All India Bank Employees Association in which suggestions regarding transparency and accountability of Banks were made;

(b) if so, the salient points made therein;

(c) whether Government have taken any decision regarding the secrecy clause with regard to balance sheet and defaulters.

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) The salient points of the representation received from the All India Bank Employees Association are viz. (i) restructuring of Banks, (ii) wilful default of Bank loans to be made as a criminal offence, (iii) full disclosure of the list of all bank defaulters, (iv) banks' balance sheets should be absolutely transparent, (v) establishment of independent audit commission, (vi) establishment of a Central vigilance Commission, (vii) appointment of Banks' Chairman & Executives through a Banking Service Commission, (viii) standing Parliamentary Committee

should be set up to screen the performance of nationalised banks (ix) periodic consultation with unions of employees and officers, and (x) not to establish Local Area private banks.

(c) to (e) a revised format for bank balance sheet was introduced with effect from 1991-92. This format provides for greater disclosure particularly in regard to the accounting policies adopted and necessary provisions made. While there could be room for more transparency, the parameters of the same has not been spelt out in the representation. As regards disclosure of names of defaulters, the same cannot be done keeping in view the secrecy laws relating to the banker customer relationship as available in various statutes of the country as well as in other countries of the world. List of suit filed defaulter borrowers' accounts having default of Rs. 1 crore and above indicating position as on 31st March, 1994 and 1995 have been published it may however, be added that effecting improvements in the banking industry is a continuous process in which suggestions received from different sources are kept in view in the light of all relevant factors.

Balance of Payment

4457. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to state :

(a) whether deficit has widened despite rise in exports, as has been brought out in the news item captioned "Deficit widens despite rise in exoorts" appearing in the Times of India dated March 2, 1997:

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to narrow the deficit vis-a-vis balance of payment ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The export growth rate during the period April-January, 1997 was 6.2 percent, a little higher than the import growth rate of 6.1 percent. Because of the higher base of import during the corresponding period last year, trade deficit has increased marginally by \$ 232 milion.

(c) Government constantly reviews policies and procedures for providing an export friendly environment.

Housing scheme of LIC in U.P.

4458. DR. RAMVILAS VEDANTI : Will the Minister of FINANCE be pleased to state :

(a) whether Life Insurance Corporation of India has